

DEVELOPMENT OF CONSUMER LENDING IN THE BANKING SECTOR OF UKRAINE

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Everyday consumer is becoming increasingly important in ensuring people's aspirations, since this type of lending allows people to live at an appropriate level. Growth of consumer lending is a significant factor in the development of the banking system of the state and the economy as a whole, as there is a formation of solvent demand. It is important to note that this type of lending also has a positive effect on consumers, because it is a partial way to overcome social injustice, which makes a person socially protected in society.

Consumer credit is a loan that is provided only in a national currency and only for the physical purchase of durable consumer goods produced in Ukraine and which is returned with a installment payment, unless otherwise provided by the terms of the loan agreement.

Factors that affect the process of consumer spending: state economic policy, economic situation, demographic factors, expectation and other factors/

For any banking institution, an important role is played by credit policy. As it reveals the main provisions of the organization of the credit process, forms the main lines

of lending, helps to create a quality loan portfolio.

The provided information on consumer loans shows that the volume of all loans granted for three years goes to decrease, this trend is typical of consumer loans that were provided to households. But the figure shows that consumer loans in the structure of all provided occupy a very specific place during 2014-2016.

If we analyze consumer loans at micro level, that is, at the bank level (for example of PJSC "First Ukrainian International Bank «) we observe that there is a tendency for growth in consumer loans.

If you characterize the macroeconomic level – the banking sector, further development and ways to improve lending to individuals should be directed towards:

- elimination of defects and improvement of the regulatory framework in the field of consumer lending;
- improvement of scoring system;
- using marketing techniques and technology;
- fixing the interest rate on consumer loans to the NBU discount rate.